EXHIBIT

"4"

CERTIFIED TRANSCRIPT

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK
Docket No. 14 Civ. 8202 (LTS) (AJP) (ECF Case)
- -x
DEBBY YEGER,
Plaintiff,
-against-
THE INSTITUTE OF CULINARY EDUCATION, INC.,
Defendant.
- -x
800 Third Avenue
New York, New York

August 20, 2015
9:50 a.m.

EXAMINATION BEFORE TRIAL of MATT PETERSEN, on behalf of the Defendant in the above-entitled action, held at the above time and place, taken before Jessica R. Taft, a Notary Public of the State of New York, pursuant to Order and stipulations between Counsel.

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shot. And then finally it was COO, and with that Mary Anne and Richard came under me.

I think some of that was -- but that kind of gives you -- Rick was very careful to dole it out only after he saw that I was good and I could handle it.

Q How many waves are we up to now?

A Well, there is, there is -- I think, I think there were three or four waves or three or four plans. I have to look within the records to know exactly, you know, when those people came in to me, came in under me. I don't think there were ten waves. But, you know, there were, I guess there were more than three.

Q So when did IT and financial aid start to report to you?

A That was early on, probably September '12.

Q September of 2012?

A Yes. Guys, that is an estimate. I am not the best with dates. It was -- yeah, I would say it was around there.

Q Financially, how is ICE doing

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A Just details and themes and people and meetings. I mean, there's is a very large amount of paper.

Q What details do you recall having your memory refreshed about?

A A lot of details.

Q Tell me what you can remember. Tell me what you can now remember having your memory refreshed.

A What details do I remember? My interactions with Debby and Vince and financial aid and conversations or -- well, details or dealings, you know, trying to get students through the process more efficiently.

I remember, you know, my, the hiring process, you know, what eventually was Martha, or brought back, you know, just points of being there.

I remember terminating Vince. I remember actually how close, just how close I had become with Brian over time, how closely I worked with Mary Anne. There was a lot there.

Q You said you remember about

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certain themes. What do you remember about being refreshed about certain themes?

A Trying to, trying to have Debby work with me. I don't think I have ever spent so much time in my professional career with anybody, trying to straighten our understandings out between each other.

Q In what ways is your memory refreshed by the team, about trying to have Debby work with you?

A Just the boxes of e-mails and PIP plans and, you know, leaves and moving offices and making sure phones are working and, you know.

Q Did you say leaves?

A Leaves, a leave of absence, her leave of absence.

Q What was her leave of absence?

A It was connected with -- it was an administrative leave because of issues we were having at the time, unpaid administrative leave.

Q You said PIP plans. By PIP, you mean performance improvement plan?

A Yes, it was a performance

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A There was a bit of hierarchy, or at least there was the hope or intention of developing a hierarchy. When the change was occurring with Debby, we certainly didn't want to put her in -- the attempt of this was simply to be very clear that she reported to Martha, but, you know, obviously she was, in terms of experience and what have you, more experienced than Antonia.

Q Associate director of financial aid is above assistant director of financial aid?

A In my mind, yes, and we had conversations about that.

Q "We" being?

A Mary Anne and Martha, when Debby was returning.

Q In September of 2013, who was responsible for compliance?

A I don't know when things changed. My guess is -- well, no, by deductive reasoning. I believe at this point when Debby's title was changed, compliance went to Martha. Compliance went to Martha and a piece to Abby in admissions.

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Q What piece went to Abby in admissions?

A I don't recall. It was something specifically -- probably something related to certain admissions documents or something like that. I don't think it was a lot.

MR. HALTER: Have this marked as Petersen 5.

(Thereupon, the document was marked Petersen Exhibit 5 for identification, as of this date.)

BY MR. HALTER:

Q Do you recognize this document?

A No. Although, I mean, I understand the contents, but no, I don't.

Q The date is faded at the bottom. It was so in the original, but at some point in 2012, and I think it is some month that starts with a zero in 2012. Do you see that?

A Yes.

Q Does this accurately reflect the organizational chart and responsibilities of these individuals as of some point in early to mid-2012?

A Hold on. Early to mid-2012. No

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Q Which is?

A Debby wouldn't want to see students.

Q Can Debby Yeger take a shift on a Saturday?

A Well, I don't think that is what that is -- we had an agreement that I maintained, and if anybody ever touched it, I maintained it. And that was that Debby was not going to be working on Saturday. And when I took over the office, I don't think we were open on Sunday. Or I know, at least now, I don't even think we have somebody there on a Sunday in the office.

Q Right. You have Saturday shifts, right?

A We do.

Q And Ms. Yeger cannot take those?

A And that is okay.

Q And you knew why?

A And I knew why?

Q You knew why.

A She has got a religious -- well, because -- well, number one, she has got an agreement because she stipulated that for religious purposes, she can't work on Saturday.

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Q Okay. So do you have any, do you know, have any reason that Mr. Aronowitz would create a document that had Debby Yeger working in financial aid on Saturdays and Sundays?

MR. BAKEN: Objection.

THE WITNESS: No.

MR. BAKEN: Just objection as to form. I don't think that is what the document says. It speaks for itself. You can ask Mr. Aronowitz what he meant by it.

MR. HALTER: I am asking Mr. Petersen for his reaction.

MR. BAKEN: You were characterizing what it said, and I just object to the way you characterized it.

BY MR. HALTER:

Q Go ahead. You have had enough coaching for now.

MR. BAKEN: Objection to that. You know it is not coaching. You are trying to get the witness to adopt something that he didn't write.

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MR. HALTER: Objection as to form, right? That was your objection, objection as to form. That summarizes everything that you just said there?

MR. BAKEN: Well, I am not sure it summarizes it, but I did object to form.

MR. HALTER: Because you know that is all you are allowed to say, right?

MR. BAKEN: I disagree with that.

MR. HALTER: Okay. Can I have my question read back, please.

MR. BAKEN: I know that you are supposed to ask the witness about his personal knowledge, not to speculate on what someone else meant by a document that he didn't prepare.

MR. HALTER: Can I have my question read back, please.

(Thereupon, the record was read back by the reporter as recorded above.)

BY MR. HALTER:

Q It sounds like you answered it. Do you want to elaborate on your answer at all?

A That is fine. There was never a

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time where Brian or I, that I am aware of, was ever going to push Debby Yeger to work a Saturday or Sunday. I believe, what I know -- okay. What I believe this to mean is that in order for the rest of the employees in financial aid to cover Saturday and Sunday, it meant that we needed to have Debby taking a student-seeing shift so that these other folks in financial aid would have a day off.

Now, that is how it has always been presented to me. There was never a discussion where Debby Yeger was going to work Saturday and Sunday. And, quite frankly, that is fine by me. You want to know why? Because most of our other directors don't work Saturday and Sunday. I am okay with it. I have always been okay with it.

MR. HALTER: Let's have this marked as Petersen 7.

(Thereupon, the document was marked Petersen Exhibit 7 for identification, as of this date.)

BY MR. HALTER:

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paying Mr. Tunstall?

A I do because I -- with all these documents, and I think it was close to a hundred.

Q Why do you believe that the salary listed here for the director of financial aid is higher than the salary Debby was paid as director of financial aid?

A Brian wanted to upgrade.

Q How so?

A The customer service aspect of financial aid wasn't being accomplished, and he wanted to upgrade. He also threw out, you know, several times, "Listen, guys, you know, when we started this thing, Rick, you didn't give me enough money. You know, I, I -- we built it with what we got and it is working out well. Or it has worked out well to this point. We need to find someone who can carry out this customer service piece more. And in order to do that, I want to go look at a bigger player and I want to attract somebody."

Q What qualifications were you looking for that Ms. Yeger didn't have?

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A I wasn't looking for it; Brian was.

Q What qualifications was ICE looking for that Ms. Yeger didn't have?

A Bottom line, they were looking for someone that was going to fulfill that customer service role, that had been in the job or in or had been in that institution for, you know, X amount of years, in the demonstrated capacity of director of financial aid.

Q How long had Ms. Yeger been director of financial aid at this point?

MR. BAKEN: Objection as to the form of the question. As of January 2012?

MR. HALTER: Yes.

THE WITNESS: Well, I don't know when she was officially hired. I guess '09 was, she was probably officially hired. So '9, '10, '11, '12, four years.

BY MR. HALTER:

Q Ms. Yeger complained that the listed salary for this position was higher than her salary, correct?

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A I am not privy. She did not complain to me at the time that this was here, so no. I do recall that she complained to me specifically at a point when, at a point when she was under my supervision.

Little bit of forward notice, I am going to need to use the restroom when you are ready.

Q We are very close.

I am showing you what has been marked as Petersen 9. I will spot you that you are not on this e-mail.

(Thereupon, the document was marked Petersen Exhibit 9 for identification, as of this date.)

MR. BAKEN: So you are conceding there is no foundation?

MR. HALTER: I am conceding that I probably could not get it in through this witness exclusively unless it is a business record. It is probably not relevant to this deposition, though, is it?

BY MR. HALTER:

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Q If you review this, this is DEF ICE 3388.

A 338, yes, I got this. Did I review this?

Q No. Does this refresh your recollection at all about whether Ms. Yeger complained that the posted salary for the director of financial aid was higher than her salary?

MR. BAKEN: Objection as to form.

THE WITNESS: I mean, does it...

MR. BAKEN: Can I just ask for a clarification? Are you still talking about the same time period, January 2012?

MR. HALTER: Yes.

THE WITNESS: No, it does not. And I don't even think this would have been a big enough issue to talk to me about. Listen, can I -- maybe something came up. You know, human resources isn't always the smartest. I mean, they put an ad out. Did they put this ad out with the numbers? I don't

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specifically -- gosh, guys, this is such a minor detail. I don't recall this.

BY MR. HALTER:

Q "This" being?

A Debby complaining that she saw an ad and it had more money in it. Here's what I do remember, if we are on this topic.

I remember at one point her telling me, you know, "Matt, I know Vince makes more money than me." Did she?

I know there was a conversation where I -- and maybe it was third party. We couldn't figure out how she got the information. But that is all I remember. And I don't remember really ever complaining about it.

I do remember her coming to me and saying, "Matt, I am underpaid. Look at these, look at these numbers and figures." And I do remember talking to her about it. And then I do remember doing research and meeting back with her at once, and then again saying, "Let's follow up. Let's follow up." So I don't, I don't...

MR. HALTER: It is probably a

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Q We will get to it. Really, let's just focus on the April 2012 part of it.

A Okay.

Q Brian Aronowitz writes to you and Mary Anne Kennedy and Rick Smilow, "Wholly excited, have notes to give you guys on this candidate. Strongest finalist yet for D of FA just left my office. Would like you guys to meet with him next week. Terrific interview. Attached is his resume. Got him from a recruiter recently. He will get gobbled up when I tell you some of the stories. It's a good Friday. B. P.S. Meeting with who I think is another finalist on Monday."

A Okay.

Q Your first question to me was, Where did Vince Tunstall go? You were saying Seton Hall. Does this refresh your recollection that you meant Fairleigh Dickinson, that is where he worked?

A Okay, yes.

Q Do you remember Mr. Aronowitz talking to you about Mr. Tunstall?

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A Yes.

Q Prior to your interview, after your interview, what do you recall?

A I don't remember.

I remember, I remember conversations regarding the idea that Brian thought this guy was a great add for ICE.

Q Why did Brian think that this guy was a great -- did you say ed?

A Add.

Q Add, thank you.

A I'm sorry.

MR. BAKEN: Objection to the form of the question. Is that why did Brian tell you he felt Mr. Tunstall was a good add? Is that the question?

BY MR. HALTER:

Q What did Brian say to you about why he was a good add?

A I can only generalize because I don't remember the conversation, but it was, "Guys, I have been getting, you know, small-time financial aid people. I can't believe this guy's actually excited to come

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here. He is coming from an organization that has got 30,000 students. He has been in charge of 30 different people," you know, that kind of -- it was like, "Oh, my God, this guy is too big to come here, and I can't believe he wants it."

Q You didn't agree with that?

A I didn't.

Q Why not?

A Because he is a not-for-profit. He is somebody that comes from a not-for-profit background. And it is a different structure, or it is a different environment. I have seen a lot of times where not-for-profit folks don't do so well in a for-profit school. And also he came across to me as not an overly -- there was something in his personality that didn't -- it didn't -- when I look for -- you know, at least for me, when I am looking for somebody to run an area and run people, you know, there is -- for good or for bad, I am looking for somebody that is going to be strong, direct, to the point, and Vin didn't

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Q "This" being?

A Well, he -- I don't remember specifically, but he was at a point now where I think it was him and Debby, and he was going to bring back, he wanted to bring back Antonia. Antonia just left. I got to tell you, I had some concerns about bringing somebody that I think was gone for a month or gone for a certain amount of time. And probably that is it.

Q You don't recall having a conversation about Debby?

A Not specifically off this e-mail, no.

Q Do you have an understanding of what Mr. Tunstall is referring to when he said, when he referenced Debby's days off and arrangements made prior to his arrival?

A First of all, it wasn't his call.

Q What wasn't his call?

A The arrangements made prior to my arrival. And that was --

Q That is not my question. My question is: Do you have an understanding of what he is referring to?

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A I do, sure.

Q What is he referring to?

A Her contract, the extra days off and the Saturday observance.

Q What extra days off?

A I think she got an extra week in December. But that is his opinion and that wasn't something that he was entitled to talk about with me.

Q Who was he entitled to talk to about it?

A It is not really his call.

Q Did he talk to you about it?

A He complained to me about Debby's overall attendance and not being able to meet with students. But I absolutely believe he accepted that because he had no choice, accepted the fact that Debby wasn't going to be here on Saturday. And I mean to be -- well...

MR. HALTER: I need to go off the record.

(Whereupon, a recess was taken from 2:54 p.m. to 3:00 p.m.)

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(Thereupon, the document was marked Petersen Exhibit 15 for identification, as of this date.)

BY MR. HALTER:

Q I put before you what our court reporter has marked as Petersen Exhibit 15. The reference is Yeger 1782 and then it goes down to 1780 and then 1781.

Do you recognize these documents?

A Well, not the top part, because that wasn't addressed to me, but I saw it in discovery and I remember -- not discovery, yeah, discovery, or as part of prepping for you folks, but I actually remember the topic.

Q The second two pages, the title is "Minutes of 10/22/12 meeting." Do you recall a meeting on February (sic) 22, 2012?

A I remember the events, yes. I remember this whole topic. This was quite a painful process.

Q Do you remember the meeting specifically?

A It is a little foggy because I think we might have had more than one

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meeting together. I remember meetings around this time, and I think there might have been two of them, but I don't, you know.

Q The first line of this document says, "This is the second meeting with regards to Debby's allocation of her work week at ICE." Did you prepare minutes of the first meeting?

A I don't think so, or not that I have, not that I have seen published.

Q Then there is a, the third paragraph is with regards to a third meeting, October 22, 2012, I guess the same day. Is this minutes of both a second meeting and a third meeting?

A No, I think that this was the third meeting. With regards to the third meeting -- this is the second meeting with regards to Debby's allocation of -- Debby has been challenged -- my guess is that is a typo and this is probably the third meeting because I wouldn't have started to get -- I didn't bring Vin in until the first couple of times talking with Debby were

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unsuccessful. So my guess is this is probably, this is minutes about the third meeting. But, I mean, there are so many e-mails about this. We can figure it out.

Q What do you recall about the first meeting?

A Well, I don't. What I can tell you is my general process or my theme was when I came on board, I didn't -- and -- Debby indicated to me that, you know, where I heard that Debby doesn't see students, the only person that I have ever heard that -- the only person that ever indicated to me that Debby did not see students was Debby. And I don't imagine pretty quickly that came to, that came up, that came to a head, especially now that Vince was here.

My goal was to -- I know or my understanding is that a properly functioning financial aid office should be able to operate on a ratio of one, I think, to 250 enrolls. So that would have generated three full-time equivalents in financial aid. And, by the way, that is what we run today

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and it is running well.

So, my understanding is that we had -- I always lose my train of thought. What was your question again? Can you repeat the question?

Q What do you remember about the first meeting?

A Oh. So my approach, as I took over the department, is, you know, we should be managing this toward a long term of three people.

Q Three people, one of whom is Ms. Yeger?

A Oh, yeah, yeah. And I don't know how or when it would have come up or why, but I do know the only person that told me she doesn't meet students is Debby.

So, I began to probe into "What is it that you do and how do you do it?"

And she said, you know, "Matt, I do compliance."

Okay. Well, in my experience I have never had in a for-profit nonuniversity setting a director of compliance. So, what

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does that full-time role look like? And I can't say it was in the first -- so my goal was, "Debby, come back and tell me what that is, tell me what that looks like."

That is probably how the first meeting went. Bunch of e-mails going back and forth, you know, "Debby, when are we going to meet? I need a, give me a punch list of what it is that you do."

And I don't remember all the specifics, but I do know at a certain point Debby looked at me and said, or at a couple of points she said, "I can't give you an estimate. It varies."

"Well, that's the beauty of an estimate. Give me an average."

And it was really surprising to me that she couldn't generate this. And, you know, this began in the beginning of September and, I mean, this was almost a four-month process of trying to just to understand what you do and why it takes you so much time, because in my past experience, I never knew that compliance was a full-time job.

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Q What is your past experience?
A I am sorry?
Q What is your past experience again?
A Past experience is -- well, it started in college and actually kind of got some level of elevation when I was a grad student and I worked real close with the director of financial aid at Rider, which was I think Jack Williams.
So, I got a feel of how these things, of how the department works and what we do. He took a liking to me. Where really the lion's share of experience came in was at AUA.
Q Title IV for a Caribbean school would be different than Title IV for an American institution, correct?
A Different? There is probably some -- yeah, there's probably some nuances. I am not specific on the differences.
Q Can't get grants under Title IV for schools in the Caribbean, correct?
A Grants? Gosh, I don't know, but what I will tell you is I did work with

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stateside schools, you know, Angley College.

Q That is when you reviewed the audit?

A Reviewing the audits. There might be differences, sure, there might be a difference.

Q And you don't know what those are?

MR. BAKEN: Objection to the form of the question.

THE WITNESS: No.

MR. HALTER: What is the basis for the objection?

MR. BAKEN: "And you don't know what those are?" I don't know what that pertains to.

MR. HALTER: Okay.

MR. BAKEN: He was talking about --

MR. HALTER: You got the answer?

MR. BAKEN: He was talking about a couple of different experiences at a couple different places.

BY MR. HALTER:

Q Okay. So, you told me what your memory was of the first meeting. What was your memory of the second meeting?

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A Well, no, that was my memory of the process in general leading up to when we had to introduce Vince. I don't remember what happened at all of the different meetings.

What I can tell you is there were several conversations on top of meetings. This was at the point where I said I got to start to memorialize this because we are spending way too much time on me trying to figure out what Debby does. So, I dropped by her desk. You know, I have asked her to please just give me a bullet point roster of what compliance details. We met a few times and nothing was getting done.

Q What do you mean by "nothing was getting done"?

A I wasn't getting further in my understanding of what her role and responsibility was here.

Q Well, in the second bullet point, my question was about the second meeting. "The second meeting was for the purpose of reviewing Debby's initial concern that 20 hours was not enough. At the end of that

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meeting it was agreed that the initial concerns were not a cause for concern and that 20 hours was still possible."

Do you remember Debby telling you that 20 hours was not enough?

A I remember Debby telling me that compliance was a full-time job, and the interpretation was, "Matt, this is a 40-hour-a-week job."

Now, that was my -- that was my interpretation of what she was telling me, that "I can't see students and I don't see students."

Q What do you recall about some agreement that the initial concerns were not a cause for concern and that 20 hours was still possible?

A I can't remember -- the first meeting was for the purpose of -- you know what? Initially, again, the only time I ever heard that Debby doesn't see students is from Debby. And I --

Q That wasn't my question.

A Hold on. But I am trying in my

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own mind to get through this. The first meeting we sat down and I said, "Well, I don't think it is full-time. Let's challenge ourselves to see if, you know, we can, we can box that into half your role here at ICE."

So, "Matt, I can't do that. I've got this, that, this, that."

I said, "Okay. So come back to me and tell me what it is that you do."

I can't tell you why the second meeting -- I mean, probably the second meeting what happened is she vocally told me things and it didn't seem to cut the mustard with me. And I said, "Go back and do the list or do something. You got to generate something so we can really go through it." That is my guess.

Q Did Ms. Yeger agree that her initial concerns were not a cause for concern and that 20 hours was still possible?

A Yes, I wouldn't have wrote -- I wouldn't have written that unless she agreed.

Q Let's look at the first page,

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1782. In her e-mail to you on October 24th, that is two days after the third meeting, she says, "The average time spent on a file review is approximately 55 minutes, which does not include the see/view process or if additional students/parent contact is required."

Does that change your opinion of whether Ms. Yeger had agreed that 20 hours a week was possible?

A Not necessarily, because it might have been at that time that she provided the list that equaled up to 55 minutes, which was two days later.

I remember for quite a lot of time her saying, "Matt, it is a full-time job, it is a full-time job."

And, you know, I would, we would, I would challenge her. And at the end Debby would -- Debby has a history of agreeing, but then maybe not moving forward in the direction that she agreed to.

Here's what I will tell you. At that time, my guess is that this was before the 55-minute document had been provided.

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That is my guess.

Q My question was: Does that change your opinion about whether there was an agreement by Ms. Yeger --

A No, it doesn't.

Q In your mind she absolutely agreed that she could do a compliance within 20 hours a week?

A Here's what I will tell you. I never put something down on a piece of paper where, or I would never publish a final document before providing this to somebody, my understanding, and I wouldn't put words in somebody's mouth.

So, there was, there were several -- and I think what you are going to find is that throughout these documents we -- and it started to become a problem for me, so I had to bring in more people -- is that I would think we would come to an understanding on something. We would -- and then we would meet back and then it would be different. So, as a strategy of mine, which I think you are going to see as we go

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through further in these documents, I had to draw more people in the room.

Q Who were those more people you drew into a room?

A Well, depending upon the situation, it would have been Mary Anne with Debby, Vince with Debby, Mary Anne and Vince with Debby. Then it would have moved on to Mary Anne and Debby, then Martha, Mary Anne and Debby. And then when there were student issues, to try and really concrete was I getting this right, it would be Matt, Debby, Mary Anne. Might have been Mary Anne and Martha. And then the individuals who were complaining about Debby, trying to get them all in a room.

Q Why did you bring human resources into this conversation? That is Mary Anne, right?

A I don't believe I brought Mary Anne into this conversation. I was saying that as I handled things, there were certain times throughout our conversations when I continued to add people in the room. She was one that I used. I don't know if --

actually, I don't think I did bring Mary Anne -- yeah, I don't think I, I don't think Mary Anne was involved in this, or I don't recall if Mary Anne was involved in this.

MR. HALTER: Let's mark this as Petersen 16.

THE WITNESS: Certainly not a big player in this. These minutes were put into the file, though. I know that.

(Thereupon, the document was marked Petersen Exhibit 16 for identification, as of this date.)

BY MR. HALTER:

Q Do you recall sending the minutes that we were just looking at, to Mary Anne Kennedy?

A Well, I told you I put them in her file. Mary Anne would have been the one that I was handing them to.

Q Did you have a conversation with Mary Anne before you sent her this document?

A Probably, because -- I mean, at this point I am asking somebody for, or I am

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asking Debby for an understanding of what she does. And this is probably seven weeks into asking for a conversation, you know, into asking for information. And at the seven-week point I got nothing. I got nothing.

Q Why was it a human resources issue?

A A failure to follow instructions. I can't get a staff member to -- I found that it was, it was -- I couldn't understand why it was so hard to get this information.

Q Were you thinking about firing her?

A No, not at this point, not at this point.

Q So why would you involve human resources?

A Well, that is what human resources are there for. We pay a high, a relatively high-level HR person. We were trying to up our employee assets, if you want to call it. And Mary Anne's strong suit, and one of the reasons why we hired her, was that we thought she would be a lot, we thought she would be a terrific asset with growing people and working through

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conflicts and -- listen, I don't know everything. So, it might have been at this point, "Mary Anne, I don't know how to get through to Debby. You know, this is what I have got so far. Give me some advice."

Again, we -- this wasn't a very big company, but what we did have was a nice executive team. And we, we were evolving into a non-siloed company. I am sure I talked to Brian about this at this point.

Q Did Ms. Kennedy tell you to start documenting your records with Ms. Yeger?

A There was a certain point where she said that. I don't know if it was at this point. This I would have -- I believe at this point I was doing this on my own. And again, this is part of my process.

If I am having a difficult time with somebody, I am going to do -- okay. I don't carry it out flawlessly, but I try to be consistent and communicate in different ways to get what I need across, especially in certain thematic things.

Q In Petersen 16 Mary Anne

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MR. HALTER: He just said, "not at this time."

I will stand by my question.

THE WITNESS: When did I worry about it? Or, first of all, worrying, I don't -- when did I first think -- well, first of all, there is a possibility of litigation any time. I am dealing with a company that has got 800 students, 30,000 customers. I have got 200 employees. At all times it is in my benefit to keep the records straight.

At this point in time, there was not, or I believe that there wasn't a concern of litigation. When I do think that there was an ah-hah moment was when that first letter came through, and I don't remember what time that was, from Debby's attorneys.

BY MR. HALTER:

Q Let's go back to this October 22nd, 2012 meeting.

As part of that meeting, Debby

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asks if she can have defined hours for compliance and defined hours for student services, correct?

A She did, she asked for that.

Q You said no, right?

A She asked for that several times, yes.

Q Why did you say no?

A Because it's not, that's not the way it works. Kids, students don't come in at defined times. I think at this point there was -- there was some oscillation in regards to how Debby, you know, was supposed to, at least under my tenure, how Debby's engagement would be with students, you know, with the students. At first, you know, my desire was, "Listen, Debby, you are in the office. When you see there is a backflow of people, help. That is what we are looking for here."

Q Mr. Tunstall scheduled people in shifts, right?

A I don't recall if that is what he did, what he was doing at this point. I do --

Q At some point he did schedule

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people in shifts, right?

A Yes, he did. He absolutely did.

Q When you worked at financial aid at Rider, did you have a shift?

A I wouldn't say that -- it was a little -- at Rider, no, there weren't shifts. It was nine to five and people came in nine to five.

Q You worked nine to five while you were at school at Rider?

A I thought you were referring to the actual financial aid people, not the graduate assistants. The financial aid people worked nine to five Monday through Friday. That was it.

Q There was no Saturday at Rider?

A I can't say there was never not a Saturday. What I can tell you, it was not general business practice. And what I can also tell -- well, that is it.

Q You say Yeger did provide you with estimates of time required for various tasks in compliance, correct?

A Finally she did, yes. It was a list.

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MR. HALTER: Okay. Let's mark this as Petersen 17.

(Thereupon, the document was marked Petersen Exhibit 17 for identification, as of this date.)

BY MR. HALTER:

Q Petersen 17 is a compilation of exhibits. It starts with Yeger 1746 and goes to 1754.

I direct your attention to 1749.

A Yes. The list.

Q Do you recall when you got this?

A I do.

Q When did you get it?

A I believe this was prepared at -- okay. This was -- I don't know if Debby and I sat with this first in privacy or not. What I can tell you is there was a second point where we did bring in Vin on this.

So this might have been the fourth meeting or sometime thereafter, the fifth meeting, my guess.

Q Did she comply with your request that she put together a list of everything

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that was --
A Yes, she did.
Q Let me finish my question.
-- everything that was required for her compliance duties, right?
A Yes, it did, yes. Or this was the start, let's say. This was a good start when I got this.
Q What was your reaction to seeing this?
A Well, the 55 minutes I just, I briefly started to look through it. And I said, you know, let's take a little background. What I continued to ask was for an average of the amount of time it takes to do a file, to comply with a file. So she sent this. And, I mean, within very, very shortly -- let's see, how can I say this?
Upon the first couple of minutes of looking at it, I got real disappointed because rather than an average, it became a bucket of every possible thing which she could possibly do, of which the bucket had things you couldn't possibly do for the same student. So, like, ISAR not selected, ISAR

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selected. Well, it is either three minutes or four minutes per student; it is not seven minutes.

Verification works; she's dependent, independent? Okay. It is either four minutes or it's three minutes, but it is not seven minutes.

Income tax transcript, independent, dependent? Well, it is either four minutes or four minutes. It is not eight minutes.

You know, and there might have been one or two more. You know, New Jersey class, well, all right, I mean, that is, that is if you are getting a New Jersey class.

And Sallie Mae, well, okay, that is if you are getting a Sallie Mae, but only 15 percent of our group gets a Sallie Mae.

So, I questioned -- at this point it didn't ring true, not, not -- assuming even the numbers, I wasn't arguing with the amounts of time because, quite frankly, I don't know what some of these things, how long some of these things take.

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Although what I will tell you now is financial aid today, compliance, if you ask Martha or Antonia, it is a couple of minutes, and it is almost a non, it is almost a non-issue. It is just, it is all conducted before they do a final punchdown, release of money.

So at this point in time, I saw that this couldn't possibly be an average. So I looked at Debby. I said, "Debby, this doesn't make sense to me."

"Matt, I am not able to give you" -- and this was probably the -- this was certainly another of several to many instances where Debby said, "I am not capable of giving you an average."

"Okay. So, Debby, we got to figure this out. Let's talk to, let's bring Vin in, because he has done this before."

Now, I think what was creating this friction at this point in time, or what may have been adding to this, is we are probably close to November, and at this point Vin is saying, you know, "Debby won't

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see students." And I think Charles was or was not gone. Antonia was or was not gone. I had to make some decisions.

I was under heat by, I want to say Brian. "Matt, this thing has got to run with four people. This thing has got to run with four people." And so I had to call in another person to help. And that was Vin.

Q Did you volunteer to sit with Ms. Yeger as she reviewed a file?

A No, I didn't.

Q Why not?

A Quite frankly, who am I to -- no. Why didn't I? I can't afford, even at this level I can't afford to sit with, you know, everybody to figure out what their job function is, especially at an initial stage.

Q You can't spend a day in financial aid? Why not watch Vince for an hour, why not watch Antonia for an hour, why not watch Ms. Yeger for an hour?

A Fair. I could have done that. I didn't.

Q Why not?

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deciding whether she could spend, whether she could do her compliance time after spending 20 hours a week on financial aid stuff?

A Here's what I often said to Debby. When she would tell me she has got to go, I would say, "Debby, focus on getting well. Please provide your schedule to us when you can, or as early as you can, so that Vince can fill in the blanks."

There was nothing other than, there was never anything other from me which was at least generally in direction, "Debby, go get well. Take the time you need." And, by the way, this is the same approach that I take with all of our staff. "We will be here when you can," you know, "we will, we are here when you can be here. In the meantime, the staff will fill in."

And that was, if I can get a step further, when Vin was -- there was a point where Vin now was getting on the schedule. And, "Matt, I am not going to put in Debby because I don't know when she is coming in."

You know, at that point, I said,

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"I will step in. Let me, you know, let me ask Debby to, or reiterate to Debby, please let us know when your comings and goings are so that Vin can fill in the rest of the student aid staffing for the calendar."

And she was given priority over Vin and Antonia, or anybody else that worked in that department, with regards to staffing. "Debby, you pick first and we will go from there." At least that was my intention, and I believe that is the direction that it went in.

Q Six hours a day, five days a week is 30 hours, right?

A Uh-huh.

Q Plus she has to leave early on Friday, right?

A Uh-huh.

Q 20 hours a week for financial aid sounds like a lot under that schedule, right?

MR. BAKEN: Objection, argumentative.

BY MR. HALTER:

Q You can answer.

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worked from home sometimes, right?

A Yes, I was.

Q You were aware that she worked Sundays to make up time, right?

A I don't know if I was aware that she worked Sundays. I was aware that she worked off hours at home.

Q She can't meet students off hours at home, right?

A Yes, that is correct.

MR. HALTER: Can I have this marked as Petersen 19.

(Thereupon, the document was marked Petersen Exhibit 19 for identification, as of this date.)

BY MR. HALTER:

Q Document that was e-mailed to us probably about an hour ago. Do you recognize this document?

A This was the document I pulled for, or I found for Scott, that was in my file but --

THE WITNESS: Scott, this was part of my initial due diligence

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because the way that I utilize my e-mail is a lot of times I will do unread, you know, view only, unread, and it knocks them out sometimes. But that is not a very large case and this is a very rare occurrence.

MR. HALTER: Let's mark this as Petersen 23.

(Thereupon, the document was marked Petersen Exhibit 23 for identification, as of this date.)

BY MR. HALTER:

Q Do you recognize this e-mail?

A I do.

Q Do you recall it from November 2012 or sometime more recently?

A Well, no. I don't recall it from November 2012, but I remember it as part of discovery, or prepping.

Q Do you have any recollection of the events noted here in this e-mail, other than the e-mail itself?

A Well, I mean, to the point that it was striking to me that she was going to

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be out for half a month and she hadn't told me. And the way that I found out about this was -- and again, because I have looked at the documents during discovery, I think Vince sent it to me. So, I was really surprised at that point and I was concerned that had Vince, had it not been for Vince, there would have been a very large amount of time out of the office without me knowing. And, you know, by the time this came through, she was not going to be here in 14 days. I mean, so what? We will work around it, but...

Q What makes you think she is not going to be there in 14 days?

A Because she takes -- the e-mail says December 18th she is going to be out.

Q Where does it say that?

A Or not this e-mail. Here.

I think Vince -- there is another e-mail where somehow Vince was policing this stuff, and he said, "Matt, Debby is not going to be here." And so if you have that e-mail, that is how I know that she was

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going to be out during that time.

Q She says she is out the week, the week of December 27th, right? That is what she says in this e-mail.

A That was from Vince.

Q "Hi, Matt, I noticed you scheduled a meeting with me for an individual review on December 27th at 2 o'clock. I will be out of the office that week, approved PTO. Can you schedule a meeting before December 18th?" Right?

A Uh-huh.

Q She doesn't say she is going to be out after the 18th; she just wants you to schedule it before the 18th, right?

MR. BAKEN: Objection to the form of the question. She doesn't say she is not going to be out after the 18th either.

BY MR. HALTER:

Q My question was: She doesn't say that in this e-mail, right?

A Here's what I will tell you, that Vince sent me an e-mail that said she was

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going to be out of the office. She better check into this. So, can we get that e-mail? And I was disturbed because that is the first time I heard it.

Q Mr. Baken has a chance to cross-examination after my questioning. If he thinks I have left something out, that will be his opportunity.

A Okay, cool. I am telling you how this happened. Vince was not the person that I first heard this from. I mean, Debby was not the person I first heard this from. Debby was absolutely not the first person.

Q Okay. ICE was actually contractually obligated to give Ms. Yeger four days off between the 23rd of December and the 31st of December.

A And I am okay with that.

MR. BAKEN: Just note my objection. That calls for a legal conclusion.

BY MR. HALTER:

Q It was in her offer letter, correct?

MR. BAKEN: She was also an

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at-will employee. That was also in her offer letter. No contract. You are asking a layperson.

BY MR. HALTER:

Q There are contractual obligations in her offer letter. But her offer letter said, "ICE will give you four days off between December 23rd and December 31st," right?

A I do know that that is in her letter, yes.

Q And you think she had to clear that with you every single time?

A No, no. Here's my thought process as to how a reasonable and customary situation would be. I take on a department. I don't know what is going, you know, I take over a department. There's a million things within a department that move. People are our most important asset. I absolutely think that as December was approaching, a reasonable person would have told me that "I am going to be out of the office for two weeks," and would have given me notice about that. She doesn't have to clear things by me, but I got to know how things work.

And when this was clear, there was never a problem with me when I was told that, you know, "I need to take a day off," or "I don't work Saturdays," or "I have these four or five days."

Here's what I will tell you I will do. I will verify everything. When somebody comes to me and says I have this or I have that, I got to verify it. Okay, give me the employment letter. And my guess is that before this point in time, I never would have looked at her employment letter from four years ago.

Q Brian Aronowitz would have known that already, right?

MR. BAKEN: Objection. You are asking him to comment what Brian knows or doesn't know.

BY MR. HALTER:

Q Brian Aronowitz negotiated the offer letter, correct?

A I would say that Brian Aronowitz would have to have known about this.

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Q And until September 2012, Brian Aronowitz was Ms. Yeger's supervisor, right?

A Yeah.

Q Do you think Ms. Yeger told Mr. Aronowitz in those nine months about when she's taking off in December?

MR. BAKEN: Objection, asking for speculation.

BY MR. HALTER:

Q Go ahead.

A I have no idea. Here's what I will tell you.

Now that I am your boss and now that I am charged with running that department, it would be a -- if we are trying to work together, it is a good idea to tell me that you are going to be out for two weeks.

Q Do you know why Ms. Yeger needed to take time off in late December?

A No.

Q Did you ask?

A No, it is not my business.

Q Didn't you at some point learn

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that she had surgery in late December?

A Was it in this letter?

Q I am just asking. At some point did you learn that?

MR. BAKEN: Object to the form of the question.

You can answer.

THE WITNESS: I don't recall. Here's what I do know, that she took off -- I don't know if it is a procedure, or I know that she had to take time off from work to tend to medical needs.

BY MR. HALTER:

Q And some of that is late December, right?

A I don't know.

Q Do you know as of November 27th, when she sent you the e-mail asking for December 18th, to meet before December 18th, if her surgery had been scheduled yet?

A Repeat the question.

Q Do you know, when she sent you the e-mail on November 27th about meeting

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before December 18th, if her surgery had been scheduled yet?

MR. BAKEN: I will object to the form.

You can answer.

THE WITNESS: Okay. What I heard you ask is: On November 27th, did you know that she had scheduled a --

BY MR. HALTER:

Q Did you know if she had scheduled surgery at that time?

A No.

Q Is it possible that she knew there was going to be surgery in late December but not exactly when, but she should meet with you before, whenever her surgery was going to be?

MR. BAKEN: Objection as to form. Again, you are asking him to comment on her thought process.

BY MR. HALTER:

Q I am asking you if it is possible based on your reading of these e-mails and what you know.

A Is it possible --

MR. BAKEN: Object as to form. Anything is possible.

BY MR. HALTER:

Q She knew that she needed surgery in late December.

A I didn't know that.

Q Assume that.

A Okay.

Q If it wasn't scheduled yet but she knew it was going to be in late December, would it be appropriate for her to ask you to meet prior to December 18th?

MR. BAKEN: Object to the hypothetical.

THE WITNESS: I am not -- I am sorry, I am not understanding what you are asking me.

BY MR. HALTER:

Q Isn't it actually wise of her to ask to meet with you before December 18th if she doesn't know when her surgery is going to be yet, as long as she knows it is going to be after December 18th at some point?

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A Yeah, I agree. Here's my problem.

Q It is her being a conscientious employee, right?

MR. BAKEN: Can you let him answer the question? That was a ground rule.

THE WITNESS: Here's my problem with this. It is not that -- you need to understand, this is four or five months into me working with her. All I wanted her to do was be the person to keep me abreast of her schedule so that I could alleviate Vin coming at me saying, "Matt, I don't know what this lady is doing." It would absolutely be good that she did this.

Here's my problem, that every time, or many times that there was a scheduling issue, I wouldn't know about it. And in this particular time, and I think I even wrote it in this e-mail, I had heard it from Vince. And here's the -- I mean, this was pretty close, but I heard this

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first from Vince. That is why I continued to get upset about it.

Because, understand, I was her supervisor. I was her supervisor. And I would ask her, "Please tell me what your scheduled PTO is going to be so that I can understand it." And it was either go in to Antonia, or go in to Vince, and then maybe I would get one once in a while. I can't manage a difficult situation if it is not coming, if I am not getting the information.

BY MR. HALTER:

Q Your e-mail at top says, "But being out of the office for 50 percent of December absolutely qualifies as something we need to speak about."

A Yeah.

Q That is an exaggeration, right?

MR. BAKEN: Objection, argumentative.

THE WITNESS: No, that is absolutely not an exaggeration. If you are going to be --

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BY MR. HALTER:

Q Was she going to be out for 50 percent of December?

MR. BAKEN: Can you just let him finish his answer? This is --

MR. HALTER: Then we are going to be more than seven hours.

MR. BAKEN: Not if you let him finish the answer. If you keep interrupting, it is going to delay things.

MR. HALTER: Go ahead and filibuster. Go ahead.

THE WITNESS: And what?

MR. HALTER: Go ahead and finish your answer.

MR. BAKEN: That is argumentative.

THE WITNESS: Look, she is telling me she is going to be out by the 18th for the rest of the year, I think, here, or something to that extent.

BY MR. HALTER:

Q She is going to be in on the 18th, right?

A She is going to be out after the

18th for the rest of the year. Did I round up? What is 18 -- so is that 45 percent of the month?

Q It is six vacation days.

A How is that six vacation days?

Q Because the 18th is a Tuesday.

A Okay.

Q She needs Wednesday, Thursday, Friday off.

A Hold on.

Q Christmas Eve she gets off, right? Christmas she gets off. And then the 26th, 27th, 28th she needs off, right?

A You are telling me that if somebody is not going to be in for two weeks --

Q Not even two weeks. Here, look at the calendar.

A Okay.

Q Right?

A So let's go through this. 18th is a Tuesday. 19th, 20, 21, 24, 25, 26, 27, 28 and 31. Now, I will grant you that Christmas is there. This is over two weeks that she would be --

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Q Is ICE open on Christmas Eve?

A I think it depends upon the year.

Q Is it open on New Year's Eve?

A It depends again upon the year. It was -- from that e-mail I responded in a way, when I looked at that e-mail, that she is going to be out for half the month. So it is 45 percent of the month, and that is a lot of time. And I wish when we are having problems about and I make a comment that if you are going to come in late, please tell me, this seemed to be a really egregious amount, situation where -- egregious isn't the right word. If I am asking you to please let me know, you know, when you are going to be late, please let me know if you are not going to be in for a day, we know that there is problems with scheduling. Jim, my response to this e-mail, when I saw it, was holy cow, that is over -- like I said, that is 50 percent of the month. You know, please, please let me know before or as soon as you can.

Q Are you now aware of the fact

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that Ms. Yeger was in the office on December 19th?

A No.

Q Are you now aware of the fact that she was in the office on December 20th?

MR. BAKEN: Object to the form of the question.

THE WITNESS: No.

BY MR. HALTER:

Q Are you now aware of the fact that she was in the office on December 21st?

A No. What does it matter at this point in time?

Q Because it wasn't scheduled yet. Is she supposed to tell you about something that is not scheduled yet?

A If something is happening, if you have a reasonable -- if in your mind, when you are going through a time where the financial aid office is understaffed and all of a sudden you have half the staff you used to have, because Antonia and Charles is gone, and you can see the guy across, in front of you, that's running it physically

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form of the question. To this witness?

BY MR. HALTER:

Q At all, that you are aware of?

A Complaints that I am aware of of discrimination? I know at a certain point -- well, let's do it very clearly.

Certainly before the legal letter, that first legal letter came out, I am not aware of any. So there was, you know, a legal letter. I know that one there. And I think that alleges possible concerns of that.

I know that Mary Anne may have reached out to her and had a meeting with her on it. You know, I think the resolution of that was, you know, "Debby, I really don't see any discrimination here."

There is one time in my mind that sticks out where she -- it wasn't a, I wouldn't say it was a complaint. But she came to Mary Anne and said, "You know, Mary Anne, Matt does this thing when we, when we meet, and it is, you know, he holds up his hand at me to keep me quiet."

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Mary Anne thought enough of it at the time and she came in and she counseled me and said, "Matt, why don't you talk to her about it."

So, Debby and I met. We talked about it. I said, "I apologize. Sometimes, though, it is hard for me to get a word in edgewise and it is frustrating. Let's agree that you work on that and I am going to work on the hands." And I don't -- I think from that point we were okay with that topic.

Q If you could respond to my questions. There is a lot in there that was not responsive to my question.

A Okay.

MR. BAKEN: Objection.

BY MR. HALTER:

Q Ms. Yeger complained to you about a salary discrepancy between her and Mr. Tunstall, right?

A She did come and talk to me about her salary. To be quite frank, there has been so much conversation about that since, and I see this document of a higher salary,

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and I don't recall if it was a specific complaint about her salary being less than Vince's. I believe her specific complaint was, "Matt, look, I am being underpaid. And here's my document to show that."

Q She didn't mention Mr. Tunstall at all during that conversation?

A Not in a way that I recall would have been a complaint that, you know, she is making less than him. I believe the focus of that conversation was, "Look, I did some research. I should be paid this, and I think I deserve a raise."

Q We did she have this conversation with you?

A I don't recall. But I do know --

Q What did she say about Mr. Tunstall specifically?

MR. BAKEN: Objection as to form.

THE WITNESS: Can you repeat the question?

BY MR. HALTER:

Q Yes. What did she say about Mr. Tunstall specifically?